



Michigan Association of **COMMUNITY MENTAL HEALTH**

Boards

Written Testimony for the Senate Government Operations Committee
Wednesday, July 31, 2013

Chairman Richardville and Members of the Committee:

My name is Michael Vizena, director of the Michigan Association of Community Mental Health Boards, representing the 46 community mental health boards and 75 provider organizations which deliver mental health, substance use disorder, and developmental disabilities services across the entire state.

On behalf of our members, we want to express our concerns regarding SB 422, which is Senator Caswell's proposed low-income health plan. Throughout his legislative career, Senator Caswell has been a champion for the interests of persons with mental illness and developmental disabilities, and he is committed to expanding health insurance coverage for low income persons. That said, we believe SB 422 will be more costly, cover fewer lives, and provide less behavioral health coverage for individuals currently without healthcare insurance.

MACMHB has several concerns regarding SB 422. First, SB 422 will be more costly to the State of Michigan than the Senate version of HB 4714. As currently proposed, SB 422 does not use any of the federal dollars allocated for Medicaid expansion, which will put continued pressure on limited state general fund resources. The cost of the low-income health benefit outlined in SB 422 has been estimated around \$250-300 million per year. We have serious concerns that in order to pay for SB 422 with state general fund dollars a significant portion of the cost would come out of the general fund allocations to community mental health boards across the state, without the same expectation of expanded behavioral healthcare access that the Senate substitute for HB4714 would provide. General funds for community based mental health services have been systematically reduced over the past decade to address budget problems or to finance higher priority state services. Michigan citizens require statutory protection to insure that our state does not further erode its behavioral healthcare safety net system.

Our other concerns regarding SB 422 are related to the number of covered lives and the scope of the benefit outlined in the proposal. SB 422 would only provide coverage for individuals up to 100% of the federal poverty level (FPL), those between 100% and 138% of FPL would access benefits via the health insurance exchange. The essential health benefits package outlined in SB 422 excludes key benefits included in the current Michigan Medicaid program, which is designed to serve low-income, vulnerable populations. As written, we believe SB 422 would not include a comprehensive behavioral health benefit, including substance abuse treatment and case management services. As a result, the proposed low-income health plan could leave Michigan's current publicly funded mental health system with limited general fund resources to provide key services not offered under a limited benefit package to a growing population.

Since the Newtown, Connecticut tragedy, mental health services have received a much-needed focus in policy and budget discussions at both the state and federal levels. The best way to provide increased support for mental health services and to remove barriers to care is to adopt the Senate version of HB 4714.

Thank you for the opportunity to provide testimony.

Respectfully submitted,